Financial Statement
1999-2000

Cumberland
Regional College

101-01922/

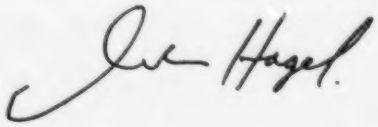
Letter of Transmittal

The Honourable Dr. Lynda M Haverstock
Lieutenant Governor
Province of Saskatchewan

Your Honour:

I have the honour to submit for your consideration the Financial Statements of the Cumberland Regional College for the year ending June 30, 2000.

Respectfully submitted,



Glenn Hagel
Minister of Post-Secondary Education and Skills Training

Neumann & Neumann
Chartered Accountants

Board of Directors
Cumberland Regional College
Nipawin, Saskatchewan

AUDITORS' REPORT

We have audited the statement of financial position of Cumberland Regional College as at June 30, 2000 and the statements of operations, changes in fund balances and cash flows for the year then ended. The College's management is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Neumann & Neumann
Chartered Accountants

Nipawin, Saskatchewan
September 14, 2000

CUMBERLAND REGIONAL COLLEGE

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2000

Statement 1

	2000			
	Operating	Capital	Total	1999
ASSETS				
Current Assets				
Cash and temporary investments	$ 803,701	$ 545,187	$1,348,888	$1,195,490
Accounts Receivable (note 3)	213,047	--	213,047	184,269
Prepaid expenses	14,042	--	14,042	13,561
	1,030,790	545,187	1,575,977	1,393,320
Investments (note 4)	500,000	--	500,000	600,000
Capital Assets (note 5)	--	1,061,995	1,061,995	1,124,912
	$1,530,790	$1,607,182	$3,137,972	$3,118,232
LIABILITIES				
Current Liabilities				
Accounts payable (note 7)	$ 84,878	$ --	$ 84,878	$ 117,777
Salaries payable	31,600	--	31,600	--
Accrued vacation payable	75,492	--	75,492	73,656
Deferred revenue (note 8)	626,212	--	626,212	418,060
	818,182	--	818,182	609,493
FUND BALANCES				
Invested in capital assets	--	1,061,995	1,061,995	1,124,912
Internally restricted as reserves (note 9)	231,532	545,187	776,719	1,209,189
Unrestricted	481,076	--	481,076	174,638
	712,608	1,607,182	2,319,790	2,508,739
	$1,530,790	$1,607,182	$3,137,972	$3,118,232

APPROVED ON BEHALF OF THE BOARD

Director

Director

See accompanying notes

CUMBERLAND REGIONAL COLLEGE

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2000

Statement 2

	Operating			Capital		Total	
	(Note 11) Budget	2000	1999	2000	1999	2000	1999
Revenues (Schedule 1)							
Saskatchewan Post-Secondary Education and Skills Training	$2,334,254	$2,414,367	$2,325,832	$ --	$ --	$2,414,367	$2,325,832
Federal Government	2,000	30,750	133,723	--	--	30,750	133,723
Other Revenue	500,412	741,565	797,929	--	--	741,565	797,929
Total revenues	2,836,666	3,186,682	3,257,484	--	--	3,186,682	3,257,484
Expenses (Schedule 2)							
Contractual and Professional Services	792,310	870,690	930,201	--	--	870,690	930,201
Rentals	170,639	158,835	158,060	--	--	158,835	158,060
Repairs and Maintenance	20,122	11,542	9,844	--	--	11,542	9,844
Amortization	--	--	--	146,266	151,518	146,266	151,518
Operating Expenses (Schedule 3)	440,771	464,598	418,143	--	--	464,598	418,143
Personal Services	1,727,517	1,723,700	1,559,410	--	--	1,723,700	1,559,410
Total expenses	3,151,359	3,229,365	3,075,658	146,266	151,518	3,375,631	3,227,176
Excess/(deficiency) of revenues over expenses	$ (314,693)	$ (42,683)	$ 181,826	$ (146,266)	$ (151,518)	$ (188,949)	$ 30,308

See accompanying notes

CUMBERLAND REGIONAL COLLEGE

STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000

Statement 3

	Invested in capital assets	Internally restricted assets	Unrestricted assets	2000	1999
Balance, beginning of the year	$1,124,912	$1,209,189	$ 174,638	$2,508,739	$2,478,431
Excess/(deficiency) of revenue over expenses	(146,266)	--	(42,683)	(188,949)	30,308
Investment in capital assets	83,349	(24,906)	(58,443)	--	--
Transfers between funds (note 9)	--	(407,564)	407,564	--	--
	$1,061,995	$ 776,719	$ 481,076	$2,319,790	$2,508,739

See accompanying notes

CUMBERLAND REGIONAL COLLEGE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2000

Statement 4

	2000	1999
CASH PROVIDED BY (USED IN):		
Operating Activities		
Excess (deficiency) of revenue over expenses	$ (42,683)	$ 181,826
Net change in non-cash working capital (note 10)	179,430	76,158
	136,747	257,984
Investing Activities		
Purchase of capital assets	(83,349)	(79,482)
Decrease (increase) in investments	100,000	(245,000)
	16,651	(324,482)
Increase (decrease) in cash during year	153,398	(66,498)
Cash, beginning of year	1,195,490	1,261,988
Cash, end of year	$1,348,888	$1,195,490

See accompanying notes

CUMBERLAND REGIONAL COLLEGE
SCHEDULE OF OPERATING FUND REVENUES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2000

Schedule 1

	Administration	Programming							
	General Revenue	Community & Individual Development	Basic Education	Vocational Technical	University Credit	Career Services	2000 Total	Budget	1999
Post-Secondary Education and Skills Training									
Admin Recovery	$ 67,291	$ 3,196	$ 21,306	$ 26,951	$ 7,541	$ 1,865	$ 128,150	$ 133,003	$ 125,179
Base Grant	631,015	--	--	--	--	--	631,015	733,450	659,049
Outreach Fund	--	--	--	--	--	--	--	143,289	137,636
Program Payments	--	6,426	400,933	826,314	143,289	80,881	1,457,843	1,274,512	1,211,056
RSB Payments	19,069	1,500	39,499	--	--	87,291	147,359	--	41,522
Other	50,000	--	--	--	--	--	50,000	50,000	151,390
	767,375	11,122	461,738	853,265	150,830	170,037	2,414,367	2,334,254	2,325,832
Federal Government									
Admin Recovery	--	--	--	--	--	--	--	--	14,075
Seat Purchases	--	--	--	2,853	--	--	2,853	--	23,123
Projects	--	--	14,022	--	--	--	14,022	2,000	89,225
Other	13,875	--	--	--	--	--	13,875	--	7,300
	13,875	--	14,022	2,853	--	--	30,750	2,000	133,723
Other									
Admin Recovery	--	--	3,170	--	9,250	--	12,420	9,826	30,398
Contracts	--	87,226	37,037	4,748	83,250	--	212,261	105,888	329,807
Interest	117,730	--	--	--	--	--	117,730	70,000	98,343
Rents	5,238	--	--	--	--	--	5,238	--	7,296
Resale Items	1,298	20,388	--	30,871	46,857	98	99,512	93,700	87,647
Tuitions	--	100,703	--	160,214	--	--	260,917	217,498	201,762
Other	12,049	--	5,870	2,200	4,586	8,782	33,487	3,500	42,676
	136,315	208,317	46,077	198,033	143,943	8,880	741,565	500,412	797,929
Total Revenue	917,565	219,439	521,837	1,054,151	294,773	178,917	3,186,682	2,836,666	3,257,484
Total Expense (Schedule 2)	994,932	179,998	439,385	914,859	242,906	457,285	3,229,365	3,151,359	3,075,658
Excess/(deficiency) of revenue over expenses	$(77,367)	$ 39,441	$ 82,452	$ 139,292	$ 51,867	$(278,368)	$ (42,683)	$ (314,693)	$ 181,826

CUMBERLAND REGIONAL COLLEGE
SCHEDULE OF OPERATING FUND EXPENSES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2000

Schedule 2

	General Administration			Programming							
	Board	Administrative	Organizational	Community & Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	2000 Total	Budget	1999
Contractual and Professional Services	$ --	$ 6,436	$ 12,524	$100,525	$ 20,029	$653,969	$ 54,336	$ 22,871	$ 870,690	$ 792,310	$ 930,201
Rentals	142	9,491	43,913	3,398	5,650	39,074	2,226	54,941	158,835	170,639	158,060
Repairs and Maintenance	--	--	11,338	--	--	189	15	--	11,542	20,122	9,844
Operating (Schedule 3)	22,005	32,762	136,078	70,653	31,360	56,518	65,723	49,499	464,598	440,771	418,143
Personal Services	16,019	240,747	463,477	5,422	382,346	165,109	120,606	329,974	1,723,700	1,727,517	1,559,410
	$ 38,166	$289,436	$667,330	$179,998	$439,385	$914,859	$242,906	$457,285	$3,229,365	$3,151,359	$3,075,658

CUMBERLAND REGIONAL COLLEGE

SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED JUNE 30, 2000

Schedule 3

	2000	1999
Advertising	$ 58,644	$ 44,696
Association Fees and Dues	8,003	7,865
Bank Charges and Interest	722	426
Computer Software	12,532	16,757
Conference and Training Fees	6,659	15,818
Insurance	7,242	7,789
Materials and Supplies	76,294	65,789
Postal, Freight and Courier	9,303	9,278
Printing and Duplicating	3,224	4,515
Resale Items	103,910	95,677
Subscriptions	1,708	2,867
Telephone and Fax	61,693	60,873
Travel	79,965	66,440
Utilities	7,140	6,670
Other	27,559	12,683
	$464,598	$418,143

CUMBERLAND REGIONAL COLLEGE

SCHEDULE OF INTERNALLY RESTRICTED FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000

Schedule 4

	Balance, beginning of the year	Appropriations from unrestricted net assets	Transfers to Other Funds	Balance, end of the year
Operating Fund				
University	$ 99,027	$ --	$ (99,027)	$ --
SCN	19,980	--	(19,980)	--
Student Services	25,514	--	(21,514)	4,000
Education Leave	22,573	--	(22,573)	--
Professional Development	19,048	11,896	(11,752)	19,192
Literacy	6,500	--	(6,500)	--
Retroactive Salary	20,000	--	(20,000)	--
Career Services	22,000	--	(22,000)	--
25th Anniversary Marketing	15,400	--	(12,600)	2,800
One Client Service Model	133,750	--	(83,750)	50,000
Strategic Plan Implementation	20,000	--	(1,650)	18,350
Class Plan Implementation	25,500	27,448	--	52,948
Basic Education Special Needs Tutors	27,000	28,158	(27,158)	28,000
Learning Centre	75,000	--	(39,942)	35,058
Research and Development	30,000	--	(30,000)	--
Basic Education - Tisdale	--	2,684	--	2,684
Learner Services - Tisdale	--	8,500	--	8,500
Public Relations	--	10,000	--	10,000
	561,292	88,686	(418,446)	231,532
Capital Fund				
Tech Lab - Tisdale	15,498	--	--	15,498
Capital	632,399	--	(102,710)	529,689
	647,897	--	(102,710)	545,187
	$1,209,189	$ 88,686	$(521,156)	$ 776,719

CUMBERLAND REGIONAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

1. PURPOSE AND AUTHORITY

The Cumberland Regional College offers educational services and programs under the authority of Section 14 of *The Regional Colleges Act*.

The Board of the Cumberland Regional College is responsible for administering and managing the educational affairs of the College in accordance with the intent of *The Regional Colleges Act* and its regulations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant policies:

(a) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating Fund

The operating fund consists of those revenues and expenses relating to the general operations of the College.

(ii) Capital Fund

The capital fund reflects the equity of the College in capital assets after taking into consideration any associated long term debt. The capital fund consists of transfers and donations designated for capital purposes by the contributor, net of the annual amortization expense.

(b) Revenue recognition

The College follows the restricted fund method of accounting for grants. Restricted transfers related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Transfers restricted for capital assets are recognized as revenue of the capital fund when received or receivable.

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

(b) Revenue recognition cont'd

Unrestricted operating transfers are recognized as revenue of the operating fund when received or receivable. Tuition and fee revenue is recognized as the course instruction is delivered. Revenue from contractual services is recognized as the service is delivered.

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is charged on a straight-line basis over the estimated useful lives of the assets at the following rates, and is reported as an expense in the capital fund:

Buildings	5%
Leasehold improvements	5%
Furniture and equipment	10% to 33%
Vehicles	20%

(d) Investments

Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLE

Accounts receivable are composed of the following:

	2000	1999
Saskatchewan Post-Secondary Education and Skills Training	$133,920	$123,661
SIAST	1,675	4,257
Federal government	36,278	5,578
Other	41,174	50,773
	$213,047	$184,269

4. INVESTMENTS

Investments consist of:

	Interest Rate	Maturity Date	2000	1999
Sask Savings Bond	8.00%	July, 1999	$ --	$100,000
Sask Savings Bond	6.75%	July, 2000	100,000	100,000
Sask Savings Bond	5.50%	July, 2001	150,000	150,000
Sask Savings Bond	5.00%	July, 2003	250,000	250,000
			$500,000	$600,000

5. CAPITAL ASSETS

	2000			1999
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	$ 973,612	$ 193,768	$ 779,844	$ 828,525
Leasehold improvements	222,383	51,519	170,864	181,954
Furnishings/ equipment	437,989	326,702	111,287	109,736
Vehicles	23,486	23,486	--	4,697
	$1,657,470	$ 595,475	$1,061,995	$1,124,912

6. LEASE OBLIGATIONS

The College is committed under term leases for office space at the following minimum amounts over the next five years (exclusive of proportionate increases and additional occupancy costs):

2001	$16,248

7. ACCOUNTS PAYABLE

Accounts payable are composed of the following:

	2000	1999
Province of Saskatchewan	$ 9,294	$ 26,543
Federal government	44,503	41,107
Other	31,081	50,127
	$ 84,878	$117,777

8. DEFERRED REVENUE

Deferred revenue consists of transfers received to carry out specific activities in excess of the expenses incurred on those activities at the end of the fiscal year as follows:

	2000	1999
Saskatchewan Post-Secondary Education and Skills Training	$626,212	$411,843
Federal Government	--	3,635
Other	--	2,582
	$626,212	$418,060

9. INTERFUND TRANSFERS

In 2000, the Board internally restricted and transferred from the operating fund $88,686 (1999 - $326,650) for future operations and $58,443 (1999 - $593,822) for capital asset purchases. These internally restricted amounts are not available for unrestricted purposes without approval of the Board. The Board approved the transfer of $24,906 (1999 - $4,502) from internally restricted funds to the capital fund for capital asset purchases and $496,250 (1999 - $14,759) to be transferred to the operating fund.

10. NET CHANGE IN NON-CASH WORKING CAPITAL

	2000	1999
Accounts receivable	$(28,778)	$ 50,024
Prepaid expenses	(481)	3,673
Accounts payable, salaries payable and accrued vacation payable	537	35,140
Deferred revenue	208,152	(12,679)
Net increase in cash	$179,430	$ 76,158

11. BUDGET AMOUNTS

The budget was prepared by regional college management with Board approval given on May 25, 1999.

12. RELATED PARTY TRANSACTIONS

Included in these financial statements are revenue and expense amounts resulting from routine transactions with related parties. These transactions are conducted at agreed rates with various Saskatchewan Crown-controlled departments, agencies and corporations with which the College is related by virtue of its economic interest with the Government of Saskatchewan.

Expenses for related party transactions during the year were as follows:

	2000	1999
SaskTel expenses	$ 54,390	$ 50,768
Sask Property Management Corp. expenses	40,107	39,703
	$ 94,497	$ 90,471

Account balances from these transactions are included in the balance sheet and are settled on normal trade terms. Other transactions with related parties are disclosed elsewhere in these financial statements.

13. FINANCIAL INSTRUMENTS

(a) The carrying amount of cash and temporary investments, accounts receivable, accounts payable, salaries payable, and vacation payable approximates fair value due to the short term maturity of these instruments. There are no significant terms or conditions related to these financial instruments that may affect the amount, timing, or certainty of future cash flows.

The fair value of investments is considered to approximate market value which is $500,000 (1999 - $600,000).

(b) The College is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the College's receivables are from the provincial and federal government, therefore, credit risk is minimal.

14. PENSIONS

Employees of the college participate in one of three pension plans. Teachers and other employees holding a teaching certificate participate in a defined benefit plan, the Teachers' Superannuation Plan (TSP) or the Saskatchewan Teachers Retirement Plan (STRP) which are administered by the Teachers' Superannuation Commission. The college has no financial obligation to TSP or STRP. Eligible employees contribute to TSP and STRP for their current service. No matching contribution is made by the Board. The General Revenue Fund is responsible for the required employer contributions of the STRP and for the financial obligations of the TSP. All other employees participate through Municipal Employees' Pension Plan (MEPP) which is also a multi-employer defined benefit plan. The last actuarial valuation of the MEPP indicated there was a surplus in the plan. The college's financial obligation to the MEPP is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year amounted to $35,125 (1999 - $31,868).

15. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.

CUMBERLAND REGIONAL COLLEGE
1999-2000 PAYEE SCHEDULE

Ag Vision Seeds Ltd	$22,708
The Co-operators	$59,815
Computer Castle	$40,611
Farm Gate Computers	$32,591
Honeywood Candles	$28,675
Melfort School Division #100	$44,015
Municipal Employees Superannuation Commission	$70,250
Muskoday First Nations	$90,000
Nipawin School Division	$28,268
S.I.A.S.T. Woodland Campus	$172,697
Melfort Journal	$28,425
Prince Albert Photocopier Ltd.	$26,140
Receiver General	$527,738
Sask. Property Management Corp.	$40,827
Sask. Government Employees Union	$32,926
Sask Tel	$56,463
Teachers' Superannuation Fund	$23,548
S.I.A.S.T. Palliser Campus	$115,197
Thompson Meats	$50,189
University of Saskatchewan	$91,302
Walker Seeds	$43,684
S.I.A.S.T. Wascana Campus	$78,468
Other	$595,252
Total	$2,299,789
PAYROLL	
Dara McMunn	$18,955
Valerie Mushinski	$79,190
Lianne Relland	$33,586
Leslee Serack	$61,430
Total Unionized Employees	$1,179,429
Total Payroll	$1,372,590
Total Payments	$3,672,379